

# Canada's international transactions in securities, May 2024

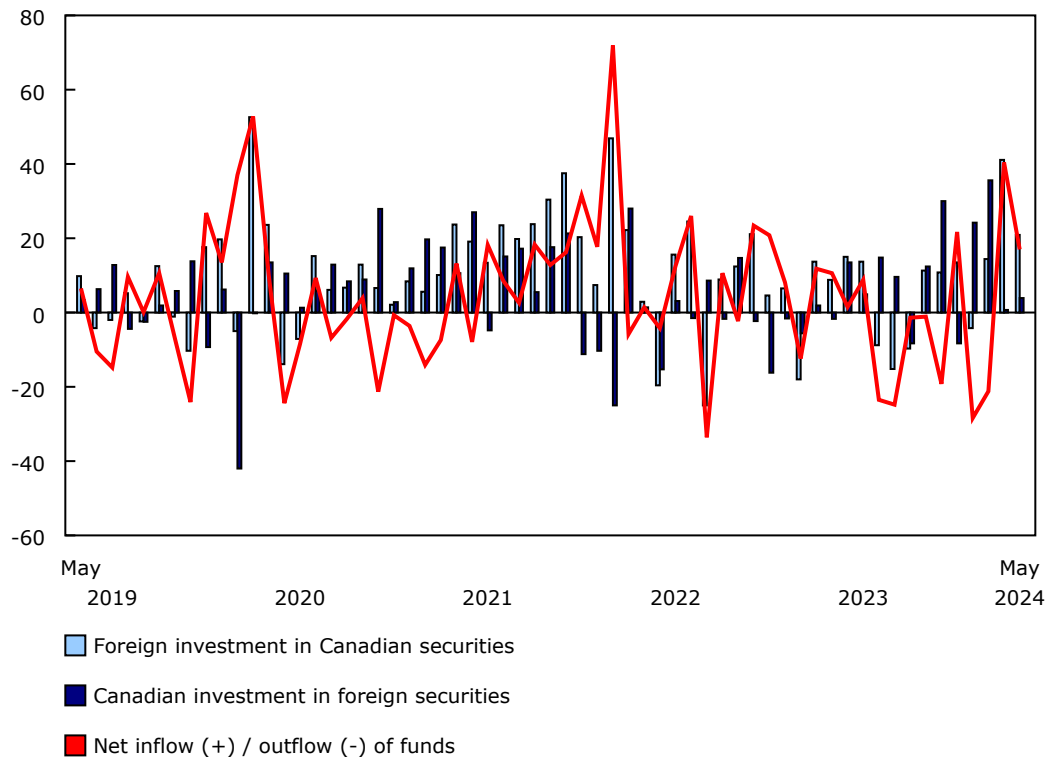
Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, July 17, 2024

Foreign investment in Canadian securities surpassed Canadian investment in foreign securities for a second consecutive month in May. Non-resident investors acquired \$20.9 billion of Canadian securities, led by debt securities. Meanwhile, Canadian investors purchased a moderate \$3.9 billion of foreign securities, largely bonds.

As a result, international transactions in securities generated a net inflow of funds of \$17.0 billion in the Canadian economy in May, following an inflow of \$40.4 billion recorded in April.

**Chart 1**  
**Canada's international transactions in securities**

billions of dollars



Source(s): Table 36-10-0028-01.

## Strong foreign acquisitions of Canadian debt securities

Foreign investment in Canadian securities amounted to \$20.9 billion in May, the third consecutive monthly net acquisition. The activity in May was mainly in Canadian government bonds and private corporate paper, and it was moderated by a divestment in Canadian equity securities.

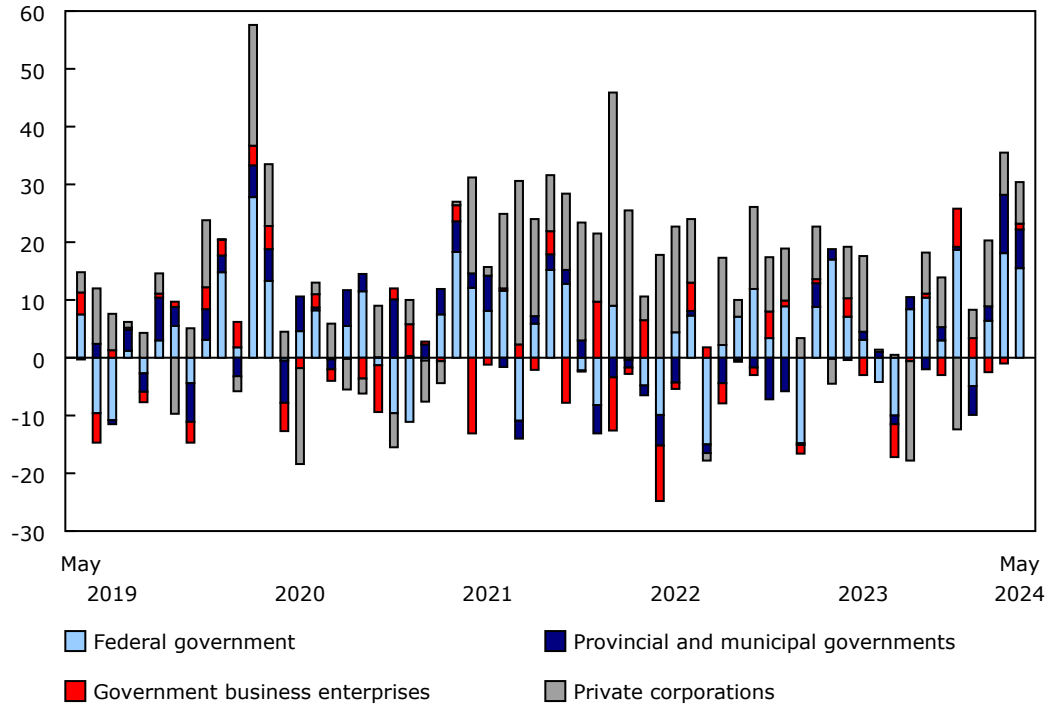


Foreign acquisitions of Canadian bonds totalled \$19.6 billion in May. The activity was led by foreign purchases of Canadian federal (+\$12.9 billion) and provincial (+\$5.8 billion) government bonds. Overall, non-resident investors have acquired \$110.0 billion of Canadian bonds so far in 2024, compared with an amount of \$57.6 billion over the same period in 2023.

Foreign investors acquired \$10.9 billion of Canadian papers in May 2024, the largest investment since December 2022. Foreign investment in May 2024 focused on instruments issued by Canadian chartered banks.

**Chart 2**  
**Foreign investment in Canadian debt securities, by sector of issuer**

billions of dollars

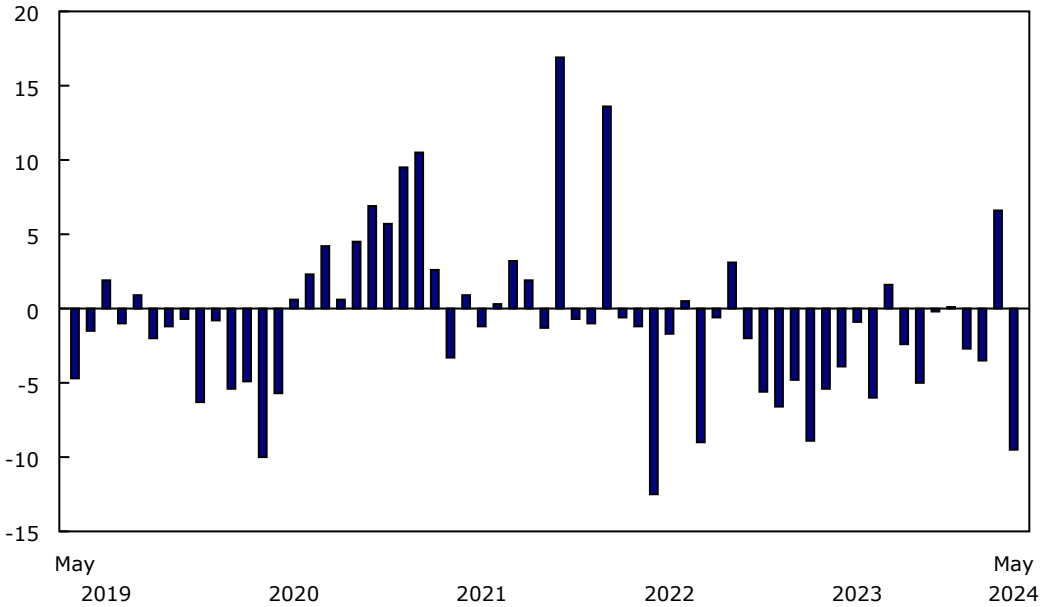


Source(s): Table 36-10-0028-01.

Non-resident investors reduced their exposure to Canadian shares by \$9.5 billion in May, the largest divestment since June 2022. The foreign divestment in May 2024 was driven by redemptions of Canadian portfolio shares resulting from merger and acquisition activities and, to a lesser extent, by sales on the secondary market. Canadian share prices, as measured by the Standard & Poor's (S & P)/Toronto Stock Exchange composite index, were up by 2.6% in May.

**Chart 3**  
**Foreign investment in Canadian equity and investment fund shares**

billions of dollars



Source(s): Table 36-10-0028-01.

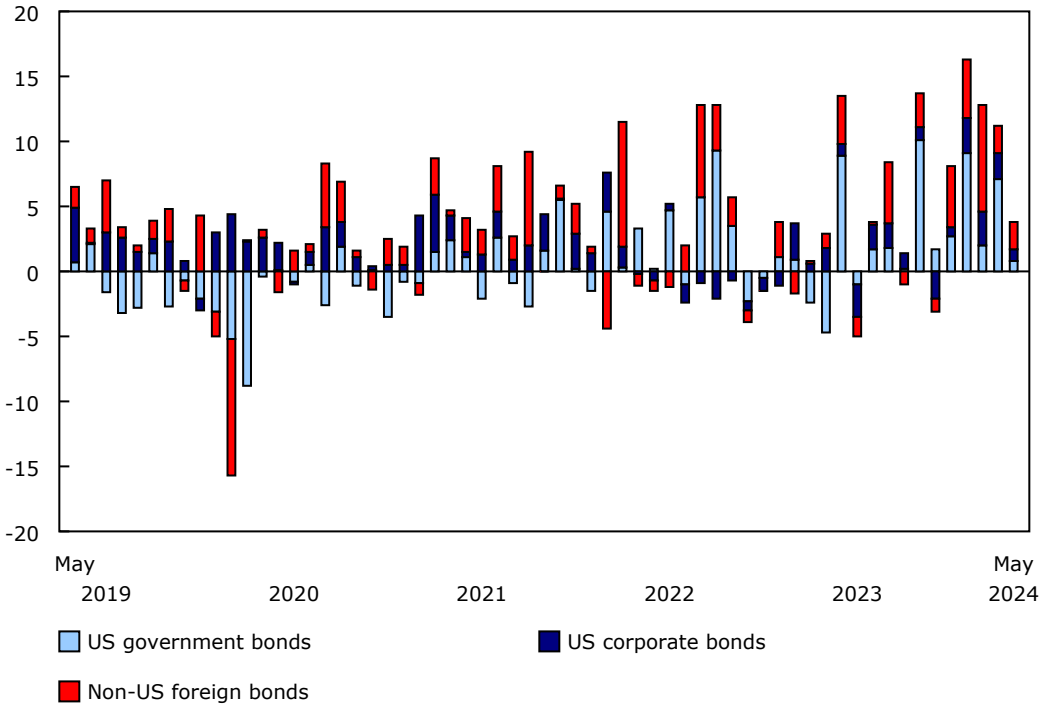
**Canadian investment in foreign bonds slows down**

Canadian investors acquired \$3.9 billion of foreign securities in May, targeting foreign bonds. The overall investment was moderate for a second consecutive month, following a record investment of \$51.5 billion in the first quarter of 2024.

Canadian investment in foreign debt securities slowed to \$3.1 billion in May, following significant acquisitions in the previous four months. Investment in US government bonds was down from \$7.1 billion in April to \$0.8 billion in May, while investment in non-US foreign bonds was on par with the level recorded in April (+\$2.1 billion). On a year-to-date basis, Canadian investors have acquired \$52.3 billion of foreign bonds in 2024, compared with a marginal \$28.3 million over the same period in 2023.

**Chart 4**  
**Canadian investment in foreign bonds**

billions of dollars



Source(s): Table 36-10-0028-01.

In May 2024, Canadian investors acquired \$0.7 billion of foreign shares, after a sizable divestment in April (-\$10.9 billion). The activity in May was led by a \$2.6 billion purchase of US shares, following a \$9.7 billion sale in April. US share prices, as measured by the S & P 500 composite index, were up 4.8% in May. Canadian investment in US shares has reached \$12.7 billion since the beginning of the year, compared with a divestment of \$16.2 billion for the same period in 2023.

**Table 1**  
**Canada's international transactions in securities**

	March 2024	April 2024	May 2024	January to May 2023	January to May 2024
millions of dollars					
<b>Foreign investment in Canadian securities</b>	<b>14,379</b>	<b>41,052</b>	<b>20,893</b>	<b>15,603</b>	<b>85,588</b>
Debt securities	17,915	34,454	30,428	47,069	94,639
Money market instruments	375	1,960	10,863	-10,553	-15,362
Governments	-1,868	7,692	3,143	8,469	-968
Federal government	-289	7,314	2,586	12,903	3,985
Other governments	-1,579	378	557	-4,434	-4,953
Corporations	2,243	-5,732	7,720	-19,020	-14,395
Government business enterprises	-2,326	-667	832	990	-529
Private corporations	4,569	-5,064	6,888	-20,010	-13,864
Bonds	17,540	32,494	19,565	57,621	110,001
Governments	10,787	20,485	19,057	7,431	69,586
Federal government	6,693	10,760	12,929	10,410	49,739
Other governments	4,094	9,724	6,128	-2,980	19,845
Corporations	6,753	12,009	508	50,189	40,416
Government business enterprises	-127	-378	154	3,648	8,014
Private corporations	6,880	12,387	354	46,543	32,403
Equity and investment fund shares	-3,536	6,597	-9,534	-31,465	-9,051
Shares	-2,911	6,662	-8,352	-28,595	-6,480
Investment fund shares	-625	-65	-1,183	-2,870	-2,571
<b>Canadian investment in foreign securities</b>	<b>35,612</b>	<b>675</b>	<b>3,857</b>	<b>-23,256</b>	<b>56,036</b>
Debt securities	12,366	11,571	3,139	-115	52,114
Money market instruments	-472	327	-699	-143	-152
Bonds	12,839	11,244	3,838	27	52,267
Equity and investment fund shares	23,246	-10,896	718	-23,140	3,921

**Note(s):** In this table, a positive value denotes an increase in investment, and a negative value denotes a decrease in investment. Transactions are recorded on a net basis. Figures may not add up to totals as a result of rounding.

**Source(s):** Tables [36-10-0028-01](#) and [36-10-0583-01](#).

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### Note to readers

The data series on international transactions in securities covers portfolio transactions in equity and investment fund shares, bonds and money market instruments for both Canadian and foreign issues. This activity excludes transactions in equity and debt instruments between affiliated enterprises. These are classified as foreign direct investment in international accounts.

**Equity and investment fund shares** include common and preferred equities, as well as units or shares of investment funds. For the sake of brevity, the terms "shares" and "equity and investment fund shares" have the same meaning.

**Debt securities** include bonds and money market instruments.

**Bonds** have an original term to maturity of more than one year.

**Money market instruments** have an original term to maturity of one year or less.

**Government of Canada paper** includes Treasury bills and US-dollar Canada bills.

All values in this release are net transactions unless otherwise stated.

### Next release

Data on Canada's international transactions in securities for June will be released on August 16.

**Available tables:** [36-10-0028-01](#) to [36-10-0035-01](#) , [36-10-0444-01](#), [36-10-0475-01](#), [36-10-0486-01](#), [36-10-0583-01](#), [36-10-0584-01](#) and [36-10-0642-01](#).

**Definitions, data sources and methods:** survey number [1535](#).

The [Canada and the World Statistics Hub \(13-609-X\)](#) is available online. This product illustrates the nature and extent of Canada's economic and financial relationship with the world using interactive graphs and tables. This product provides easy access to information on trade, investment, employment and travel between Canada and a number of countries, including the United States, the United Kingdom, Mexico, China and Japan.

As a complement to this release, the data visualization product "[Securities statistics](#)," part of the series [Statistics Canada – Data Visualization Products \(71-607-X\)](#), is available online.

The [User Guide: Canadian System of Macroeconomic Accounts \(13-606-G\)](#) is also available.

The [Methodological Guide: Canadian System of Macroeconomic Accounts \(13-607-X\)](#) is available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or Media Relations ([statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca](mailto:statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca)).